U.S. Department of Labor Occupational Safety and Health Administration 2 Executive Drive, Suite 120 Marlton, NJ 08053



01/22/2024

Kenric Steel, LLC and its successors 331 Riverside Drive Millville, NJ 08332

Dear Employer:

Enclosed you will find citations for violations of the Occupational Safety and Health Act of 1970 (the Act) which may have accompanying proposed penalties. Also enclosed is a booklet entitled, "Employer Rights and Responsibilities Following an OSHA Inspection", (OSHA 3000-04R) revised 2018, which explains your rights and responsibilities under the Act. If you have any questions about the enclosed citations and penalties, I would welcome further discussions in person or by telephone. Please contact me at (856) 596-5200.

You will note on page 6 of the booklet that, for violations which you do not contest, you must (1) notify this office promptly by letter that you have taken appropriate corrective action within the time set forth on the citation; and (2) pay any penalties assessed. Please inform me of the abatement steps you have taken and of their dates together with adequate supporting documentation; e.g., drawings or photographs of corrected conditions, purchase/work orders related to abatement actions, air sampling results. This information will allow us to close the case.

As indicated on page 3 of the booklet, you may request an informal conference with me during the 15-workingday notice of contest period. During such an informal conference you may present any evidence or views which you believe would support an adjustment to the citation or the penalty.

If you are considering a request for an informal conference to discuss any issues related to this Citation and Notification of Penalty, you must take care to schedule it early enough to allow time to contest after the informal conference, should you decide to do so. Please keep in mind that a written letter of intent to contest must be submitted to the Area Director within 15 working days of your receipt of the citation. The running of this contest period is not interrupted by an informal conference.

If you decide to request an informal conference, please complete the attached notice at the bottom of this letter and post it next to the Citations as soon as the time, date and the place of the informal conference have been determined. Be sure to bring to the conference with you any and all supporting documentation of existing conditions as well as of any abatement steps taken thus far. If conditions warrant, we can enter into an informal settlement agreement which amicably resolves this matter without litigation or contest.

You should be aware that OSHA publishes information on its inspection and citation activity on the Internet under the provisions of Electronic Freedom of Information Act. The information related to these alleged violations will be posted when our system indicates that you have received this citation. You are encouraged to review the information concerning your establishment at www.osha.gov. If you have any dispute with the accuracy of the information displayed, please contact this office.

Sincerely,

Paula Dixon-Roderick Area Director

Enclosures

Occupational Safety and Health Administration 2 Executive Drive, Suite 120 Marlton, NJ 08053



Citation and Notification of Penalty

To: Inspection Number: 1685924

Inspection Date(s): 07/26/2023 - 07/26/2023

The violation(s) described in this Citation and

and its successors

Issuance Date: 01/22/2024
331 Riverside Drive

Millville, NJ 08332

Kenric Steel, LLC

Inspection Site:

331 Riverside Drive

Millville, NJ 08332

Notification of Penalty is (are) alleged to have occurred on or about the day(s) the inspection was made unless otherwise indicated within the description

given below.

This Citation and Notification of Penalty (this Citation) describes violations of the Occupational Safety and Health Act of 1970. The penalty(ies) listed herein is (are) based on these violations. You must abate the violations referred to in this Citation by the dates listed and pay the penalties proposed, unless within 15 working days (excluding weekends and Federal holidays) from your receipt of this Citation and Notification of Penalty **you either call to schedule an informal conference (see paragraph below) or** you mail a notice of contest to the U.S. Department of Labor Area Office at the address shown above. Please refer to the enclosed booklet (OSHA 3000) which outlines your rights and responsibilities and which should be read in conjunction with this form. Issuance of this Citation does not constitute a finding that a violation of the Act has occurred unless there is a failure to contest as provided for in the Act or, if contested, unless this Citation is affirmed by the Review Commission or a court.

Posting - The law requires that a copy of this Citation and Notification of Penalty be posted immediately in a prominent place at or near the location of the violation(s) cited herein, or, if it is not practicable because of the nature of the employer's operations, where it will be readily observable by all affected employees. This Citation must remain posted until the violation(s) cited herein has (have) been abated, or for 3 working days (excluding weekends and Federal holidays), whichever is longer.

Informal Conference - An informal conference is not required. However, if you wish to have such a conference you may request one with the Area Director during the 15 working day contest period by calling (856) 596-5200. During such an informal conference, you may present any evidence or views which you believe would support an adjustment to the citation(s) and/or penalty(ies).

If you are considering a request for an informal conference to discuss any issues related to this Citation and Notification of Penalty, you must take care to schedule it early enough to allow time to contest after the informal conference, should you decide to do so. Please keep in mind that a written letter of intent to contest must be submitted to the Area Director within 15 working days of your receipt of this Citation. The running of this contest period is not interrupted by an informal conference.

If you decide to request an informal conference, please complete, remove and post the Notice to Employees next to this Citation and Notification of Penalty as soon as the time, date, and place of the informal conference have been determined. Be sure to bring to the conference any and all supporting documentation of existing conditions as well as any abatement steps taken thus far. If conditions warrant, we can enter into an informal settlement agreement which amicably resolves this matter without litigation or contest.

Right to Contest — You have the right to contest this Citation and Notification of Penalty. You may contest all citation items or only individual items. You may also contest proposed penalties and/or abatement dates without contesting the underlying violations. <u>Unless you inform the Area Director in writing that you intend to contest the citation(s) and/or proposed penalty(ies) within 15 working days after receipt, the citation(s) and the proposed penalty(ies) will become a final order of the Occupational Safety and Health Review Commission and may not be reviewed by any court or agency.</u>

Penalty Payment – Penalties are due within 15 working days of receipt of this notification unless contested. (See the enclosed booklet and the additional information provided related to the Debt Collection Act of 1982.) Make your check or money order payable to "DOL-OSHA". Please indicate the Inspection Number on the remittance. You can also make your payment electronically at www.pay.gov. At the top of the pay.gov homepage, type "**OSHA**" in the Search field and select Search. From **OSHA Penalty Payment Form** search result, select Continue. The direct link is:

https://www.pay.gov/paygov/forms/formInstance.html?agencyFormId=53090334

You will be required to enter your inspection number when making the payment. Payments can be made by credit card or Automated Clearing House (ACH) using your banking information. Payments of \$25,000 or more require a Transaction ID, and also must be paid using ACH. If you require a Transaction ID, please contact the OSHA Debt Collection Team at (202) 693-2170.

OSHA does not agree to any restrictions or conditions or endorsements put on any check, money order, or electronic payment for less than the full amount due, and will process the payments as if these restrictions or conditions do not exist.

Notification of Corrective Action – For each violation which you do not contest, you must provide *abatement certification* to the Area Director of the OSHA office issuing the citation and identified above. This abatement certification is to be provided by letter within 10 calendar days after each abatement date. Abatement certification includes the date and method of abatement. If the citation indicates that the violation was corrected during the inspection, no abatement certification is required for that item. The abatement certification letter must be posted at the location where the violation appeared and the corrective action took place or employees must otherwise be effectively informed about abatement activities. A sample abatement certification letter is enclosed with this Citation. In addition, where the citation indicates that *abatement documentation* is necessary, evidence of the purchase or repair of equipment, photographs or video, receipts, training records, etc., verifying that abatement has occurred is required to be provided to the Area Director.

Employer Discrimination Unlawful – The law prohibits discrimination by an employer against an employee for filing a complaint or for exercising any rights under this Act. An employee who believes that

he/she has been discriminated against may file a complaint no later than 30 days after the discrimination occurred with the U.S. Department of Labor Area Office at the address shown above.

Employer Rights and Responsibilities – The enclosed booklet (OSHA 3000) outlines additional employer rights and responsibilities and should be read in conjunction with this notification.

Notice to Employees – The law gives an employee or his/her representative the opportunity to object to any abatement date set for a violation if he/she believes the date to be unreasonable. The contest must be mailed to the U.S. Department of Labor Area Office at the address shown above and postmarked within 15 working days (excluding weekends and Federal holidays) of the receipt by the employer of this Citation and Notification of Penalty.

Inspection Activity Data – You should be aware that OSHA publishes information on its inspection and citation activity on the Internet under the provisions of the Electronic Freedom of Information Act. The information related to these alleged violations will be posted when our system indicates that you have received this citation. You are encouraged to review the information concerning your establishment at www.osha.gov. If you have any dispute with the accuracy of the information displayed, please contact this office.

U.S. Department of Labor Occupational Safety and Health Administration



NOTICE TO EMPLOYEES OF INFORMAL CONFERENCE

An informal conference has been scheduled with OSHA to discu	ass the citation(s) issued on
01/22/2024. The conference will be held by telephone or at the C	OSHA office located at 2
Executive Drive, Suite 120, Marlton, NJ 08053 on	at
Employees and/or representatives of empl	loyees have a right to attend ar
informal conference	

CERTIFICATION OF CORRECTIVE ACTION WORKSHEET

Inspection Number: 1685924

Company Name: Kenric Steel, LLC

Inspection Site: 331 Riverside Drive, Millville, NJ 08332

Issuance Date: 01/22/2024

List the specific method of correction for each item on this citation in this package that does not read "Corrected During Inspection" and return to: U.S. Department of Labor – Occupational Safety and Health Administration, 2 Executive Drive, Suite 120, Marlton, NJ 08053.

Citation Number By (Method of Abat	ement):	was corrected on	
Citation Number By (Method of Abat	and Item Number	was corrected on	
Citation Number By (Method of Abat	ement):	was corrected on	
Citation Number By (Method of Abat	and Item Number ement):	was corrected on	
Citation Number By (Method of Abat	ement):	was corrected on	
Citation Number By (Method of Abat	and Item Number	was corrected on	
	rmation contained in this been informed of the aba	document is accurate and that the affecte	
Signature		Date	
Typed or Printed Nam	e	Title	

NOTE: 29 USC 666(g) whoever knowingly makes any false statements, representation or certification in any application, record, plan or other documents filed or required to be maintained pursuant to the Act shall, upon conviction, be punished by a fine of not more than \$10,000 or by imprisonment of not more than 6 months or both.

POSTING: A copy of completed Corrective Action Worksheet should be posted for employee review.

Occupational Safety and Health Administration

Inspection Number: 1685924

Inspection Date(s): 07/26/2023 - 07/26/2023

Issuance Date: 01/22/2024



Citation and Notification of Penalty

Company Name: Kenric Steel, LLC

Inspection Site: 331 Riverside Drive, Millville, NJ 08332

Citation 1 Item 1 Type of Violation: **Serious**

29 CFR 1910.106(e)(6)(ii): Category 1 or 2 flammable liquids, or Category 3 flammable liquids with a flashpoint below 100 °F (37.8 °C), were dispensed into containers without the nozzle and container being electrically interconnected:

a) Fabrication Shop - Paint Side: On or about 7/26/2023, the employer did not ensure that 55 gallon drums of Sumter Coatings Inhibitive Shop Coat, a class 2 flammable, were grounded when dispensing flammable liquids.

Date By Which Violation Must be Abated: Proposed Penalty:

Corrected During Inspection \$6,453.00

Occupational Safety and Health Administration

Inspection Number: 1685924

Inspection Date(s): 07/26/2023 - 07/26/2023

Issuance Date: 01/22/2024



Citation and Notification of Penalty

Company Name: Kenric Steel, LLC

Inspection Site: 331 Riverside Drive, Millville, NJ 08332

The alleged violations below have been grouped because they involve similar or related hazards that may increase the potential for injury or illness.

Citation 1 Item 2 a Type of Violation: **Serious**

29 CFR 1910.134(g)(1)(i)(A):Respirators with tight-fitting facepieces were worn by employees who had facial hair that came between the sealing surface of the facepiece and the face or that interfered with valve function:

a) Fabrication Shop: On or about 7/26/2023, an employee who was provided and required to wear a 3M 7502 elastomeric half face respirator was not clean shaven to ensure a sealing surface between the face and facepiece.

NOTE: THE EMPLOYER IS REQUIRED TO SUBMIT ABATEMENT CERTIFICATION FOR THIS ITEM. FAILURE TO COMPLY WILL RESULT IN AN ADDITIONAL PENALTY OF \$1000.00 IN ACCORDANCE WITH 29 CFR 1903.19.

Date By Which Violation Must be Abated: February 15, 2024
Proposed Penalty: \$4,839.00

Occupational Safety and Health Administration

Inspection Number: 1685924

Inspection Date(s): 07/26/2023 - 07/26/2023

Issuance Date: 01/22/2024



Citation and Notification of Penalty

Company Name: Kenric Steel, LLC

Inspection Site: 331 Riverside Drive, Millville, NJ 08332

Citation 1 Item 2 b Type of Violation: **Serious**

29 CFR 1910.134(k)(1)(i):The employer did not ensure that each employee could demonstrate knowledge of why the respirator was necessary and how improper fit, usage, or maintenance could compromise the protective effect of the respirator:

a) Fabrication Shop - Paint Side: On or about 7/26/2023, the employer did not ensure that each employee provided and required to wear a respirator, including but not limited to, 3M 7502 elastomeric half face and 3M Versaflo powered air purifying respirator, was trained and could demonstrate knowledge on fit, usage, and maintenance of the respirator.

NOTE: THE EMPLOYER IS REQUIRED TO SUBMIT ABATEMENT CERTIFICATION FOR THIS ITEM. FAILURE TO COMPLY WILL RESULT IN AN ADDITIONAL PENALTY OF \$1000.00 IN ACCORDANCE WITH 29 CFR 1903.19.

Date By Which Violation Must be Abated: February 15, 2024
Proposed Penalty: \$0.00

Occupational Safety and Health Administration

Inspection Number: 1685924

Inspection Date(s): 07/26/2023 - 07/26/2023

Issuance Date: 01/22/2024



Citation and Notification of Penalty

Company Name: Kenric Steel, LLC

Inspection Site: 331 Riverside Drive, Millville, NJ 08332

<u>Citation 1 Item 3</u> Type of Violation: **Serious**

29 CFR 1910.179(j)(2):The following items were not be inspected for defects at intervals as defined in paragraph (j)(1)(ii) of this section or as specifically indicated, including observation during operation for any defects which might appear between regular inspections:

- a) Fabrication Shop Structural Side: On or about 7/26/2023, four Spanmaster 3 Ton Hoists used to move metal and fabricated metal pieces were not inspected on regular intervals.
- b) Fabrication Shop Detail Side: On or about 7/26/2023, the Trico 5 Ton Hoist used to move metal and fabricated metal pieces was not frequently inspected for defects. On 9/21/2023, the hoist hook was observed to be missing its clasp.

NOTE: IN ADDITION TO ABATEMENT CERTIFICATION, THE EMPLOYER IS REQUIRED TO SUBMIT ABATEMENT DOCUMENTATION FOR THIS ITEM. FAILURE TO COMPLY WILL RESULT IN AN ADDITIONAL PENALTY OF \$1000.00 IN ACCORDANCE WITH 29 CFR 1903.19.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated: February 15, 2024
Proposed Penalty: \$6,453.00

Occupational Safety and Health Administration

Inspection Number: 1685924

Inspection Date(s): 07/26/2023 - 07/26/2023

Issuance Date: 01/22/2024



Citation and Notification of Penalty

Company Name: Kenric Steel, LLC

Inspection Site: 331 Riverside Drive, Millville, NJ 08332

Citation 1 Item 4 Type of Violation: **Serious**

29 CFR 1910.303(b)(2):Listed or labeled electrical equipment was not used or installed in accordance with instructions included in the listing or labeling:

a) Production Building: On or about 7/26/2023, circuit breakers were being used as a switch to turn lights and power on and off in the building, without being rated as a SWD.

Date By Which Violation Must be Abated: Proposed Penalty:

Corrected During Inspection \$4,839.00

Occupational Safety and Health Administration

Inspection Number: 1685924

Inspection Date(s): 07/26/2023 - 07/26/2023

Issuance Date: 01/22/2024



Citation and Notification of Penalty

Company Name: Kenric Steel, LLC

Inspection Site: 331 Riverside Drive, Millville, NJ 08332

The alleged violations below have been grouped because they involve similar or related hazards that may increase the potential for injury or illness.

Citation 1 Item 5 a Type of Violation: **Serious**

29 CFR 1910.1200(f)(6)(i): Except as provided in 29 CFR 1910.1200(f)(7) and 29 CFR 1910.1200(f)(8), the employer did not ensure that each container of hazardous chemicals in the workplace was labeled, tagged or marked with the information required by 29 CFR 1910.1200(f)(1)(i) through 29 CFR 1910.1200(f)(1)(v)

a) Fabrication Shop - Detail Side: On or about 7/26/2023, an IBC Tote with blueish liquid and an attached fuel pump was not labelled with its contents or hazards.

NOTE: THE EMPLOYER IS REQUIRED TO SUBMIT ABATEMENT CERTIFICATION FOR THIS ITEM. FAILURE TO COMPLY WILL RESULT IN AN ADDITIONAL PENALTY OF \$1000.00 IN ACCORDANCE WITH 29 CFR 1903.19.

Date By Which Violation Must be Abated: February 15, 2024
Proposed Penalty: \$8,067.00

Occupational Safety and Health Administration

Inspection Number: 1685924

Inspection Date(s): 07/26/2023 - 07/26/2023

Issuance Date: 01/22/2024



Citation and Notification of Penalty

Company Name: Kenric Steel, LLC

Inspection Site: 331 Riverside Drive, Millville, NJ 08332

Citation 1 Item 5 b Type of Violation: **Serious**

29 CFR 1910.1200(g)(1): Employers did not have a safety data sheet in the workplace for each hazardous chemical which they used:

a) Fabrication Shop: On or about 7/26/2023, the employer did not have safety data sheets for all chemicals used on site including, but not limited to Carboline Carbomastic 90 Part B (a corrosive) and Sumpter Coatings Redispray Inhibitive ShopCoat Primer.

NOTE: THE EMPLOYER IS REQUIRED TO SUBMIT ABATEMENT CERTIFICATION FOR THIS ITEM. FAILURE TO COMPLY WILL RESULT IN AN ADDITIONAL PENALTY OF \$1000.00 IN ACCORDANCE WITH 29 CFR 1903.19.

Date By Which Violation Must be Abated: February 15, 2024
Proposed Penalty: \$0.00

Occupational Safety and Health Administration

Inspection Number: 1685924

Inspection Date(s): 07/26/2023 - 07/26/2023

Issuance Date: 01/22/2024



Citation and Notification of Penalty

Company Name: Kenric Steel, LLC

Inspection Site: 331 Riverside Drive, Millville, NJ 08332

Citation 2 Item 1 Type of Violation: **Willful - Serious**

29 CFR 1910.134(e)(1):The employer did not provide a medical evaluation to determine the employee's ability to use a respirator, before the employee was fit tested or required to use the respirator in the workplace:

a) Production Building: On or about 7/26/2023, employees who were provided and required to wear respirators, including but not limited to, 3M 7700 half face elastomeric respirators and 3M Versaflo powered air purifying respirators, were not medically evaluated for respirator use prior to using the respirator.

NOTE: IN ADDITION TO ABATEMENT CERTIFICATION, THE EMPLOYER IS REQUIRED TO SUBMIT ABATEMENT DOCUMENTATION FOR THIS ITEM. FAILURE TO COMPLY WILL RESULT IN AN ADDITIONAL PENALTY OF \$1000.00 IN ACCORDANCE WITH 29 CFR 1903.19.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated: February 15, 2024
Proposed Penalty: \$69,140.00

Occupational Safety and Health Administration

Inspection Number: 1685924

Inspection Date(s): 07/26/2023 - 07/26/2023

Issuance Date: 01/22/2024



Citation and Notification of Penalty

Company Name: Kenric Steel, LLC

Inspection Site: 331 Riverside Drive, Millville, NJ 08332

Citation 2 Item 2 Type of Violation: **Willful - Serious**

29 CFR 1910.179(j)(3):Complete inspections of the crane were not being performed at intervals as generally defined in paragraph (j)(1)(ii)(b) of this section:

- a) Fabrication Shop Structural Side: On or about 7/26/2023, four Spanmaster 3 Ton Hoists used to move metal and fabricated metal pieces were not inspected within the last 12 months.
- b) Fabrication Shop Detail Side: On or about 7/26/2023, the Trico 5 Ton Hoist used to move metal and fabricated metal pieces was not inspection within the last 12 months.

Date By Which Violation Must be Abated: Corrected During Inspection Proposed Penalty: \$82,964.00

Occupational Safety and Health Administration

Inspection Number: 1685924

Inspection Date(s): 07/26/2023 - 07/26/2023

Issuance Date: 01/22/2024



Citation and Notification of Penalty

Company Name: Kenric Steel, LLC

Inspection Site: 331 Riverside Drive, Millville, NJ 08332

<u>Citation 2 Item 3</u> Type of Violation: **Willful - Serious**

29 CFR 1910.252(b)(2)(iii): Workers and other persons adjacent to the welding area were not protected from the rays by noncombustible or flameproof screens or shields:

a) Fabrication Building: On or about 7/26/2023, employees were not utilizing welding screens in the welding area to protect employees adjacent to the welding areas and others walking through the facility.

Date By Which Violation Must be Abated: Corrected During Inspection Proposed Penalty: \$82,964.00

Occupational Safety and Health Administration

Inspection Number: 1685924

Inspection Date(s): 07/26/2023 - 07/26/2023

Issuance Date: 01/22/2024



Citation and Notification of Penalty

Company Name: Kenric Steel, LLC

Inspection Site: 331 Riverside Drive, Millville, NJ 08332

Citation 2 Item 4 Type of Violation: Willful - Serious

29 CFR 1910.1200(h)(1): Employees were not provided effective information and training on hazardous chemicals in their work area at the time of their initial assignment and whenever a new hazard that the employees had not been previously trained about was introduced into their work area:

a) Fabrication Shop: On or about 7/26/2023, the employer did not provide training to employees on chemicals used in the facility including, but not limited to, Sumpter Coatings Inhibitive Shop Coat, Carboline Carbomastic 90 Part B (a corrosive), and Acetylene gas cylinders.

Date By Which Violation Must be Abated: Proposed Penalty:	Corrected Durin	g Inspection \$82,964.00
	Paula Dixon-Roderick Area Director	-

Occupational Safety and Health Administration 2 Executive Drive, Suite 120 Marlton, NJ 08053



INVOICE / DEBT COLLECTION NOTICE

Company Name: Kenric Steel, LLC

Inspection Site: 331 Riverside Drive, Millville, NJ 08332

Issuance Date: 01/22/2024

Summary of Penalties for Inspection Number: 1685924

Citation 1 Item 1, Serious	\$6,453.00
Citation 1 Item 2a, Serious	\$4,839.00
Citation 1 Item 2b, Serious	\$0.00
Citation 1 Item 3, Serious	\$6,453.00
Citation 1 Item 4, Serious	\$4,839.00
Citation 1 Item 5a, Serious	\$8,067.00
Citation 1 Item 5b, Serious	\$0.00
Citation 2 Item 1, Willful - Serious	\$69,140.00
Citation 2 Item 2, Willful - Serious	\$82,964.00
Citation 2 Item 3, Willful - Serious	\$82,964.00
Citation 2 Item 4, Willful - Serious	\$82,964.00

TOTAL PROPOSED PENALTIES:

\$348,683.00

To avoid additional charges, please remit payment promptly to this Area Office for the total amount of the uncontested penalties summarized above. Make your check or money order payable to: "DOL-OSHA". Please indicate OSHA's Inspection Number (indicated above) on the remittance. You can also make your payment electronically at www.pay.gov. At the top of the pay.gov homepage, type "OSHA" in the Search field and select Search. From the OSHA Penalty Payment Form search result, select Continue. The direct link is: https://www.pay.gov/paygov/forms/formInstance.html?agencyFormId=53090334. You will be required to enter your inspection number when making the payment. Payments can be made by credit card or Automated Clearing House (ACH) using your banking information. Payments of \$25,000 or more require a Transaction ID, and also must be paid using ACH. If you require a Transaction ID, please contact the OSHA Debt Collection Team at (202) 693-2170.

OSHA does not agree to any restrictions or conditions or endorsements put on any check, money order, or electronic payment for less than the full amount due, and will cash the check or money order as if these restrictions or conditions do not exist.

If a personal check is issued, it will be converted into an electronic fund transfer (EFT). This means that our

bank will copy your check and use the account information on it to electronically debit your account for the amount of the check. The debit from your account will then usually occur within 24 hours and will be shown on your regular account statement. You will not receive your original check back. The bank will destroy your original check, but will keep a copy of it. If the EFT cannot be completed because of insufficient funds or closed account, the bank will attempt to make the transfer up to two times.

Pursuant to the Debt Collection Act of 1982 (Public Law 97-365) and regulations of the U.S. Department of Labor (29 CFR Part 20), the Occupational Safety and Health Administration is required to assess interest, delinquent charges, and administrative costs for the collection of delinquent penalty debts for violations of the Occupational Safety and Health Act.

<u>Interest</u>: Interest charges will be assessed at an annual rate determined by the Secretary of the Treasury on all penalty debt amounts not paid within one month (30 calendar days) of the date on which the debt amount becomes due and payable (penalty due date). The current interest rate is one percent (1%). Interest will accrue from the date on which the penalty amounts (as proposed or adjusted) become a final order of the Occupational Safety and Health Review Commission (that is, 15 working days from your receipt of the Citation and Notification of Penalty), unless you file a notice of contest. Interest charges will be waived if the full amount owed is paid within 30 calendar days of the final order.

<u>Delinquent Charges</u>: A debt is considered delinquent if it has not been paid within one month (30 calendar days) of the penalty due date or if a satisfactory payment arrangement has not been made. If the debt remains delinquent for more than 90 calendar days, a delinquent charge of six percent (6%) per annum will be assessed accruing from the date that the debt became delinquent.

<u>Administrative Costs</u>: Agencies of the Department of Labor are required to assess additional charges for the recovery of delinquent debts. These additional charges are administrative costs incurred by the Agency in its attempt to collect an unpaid debt. Administrative costs will be assessed for demand letters sent in an attempt to collect the unpaid debt.

Paula Dixon-Roderick	Date
Area Director	